EXHIBIT B

DECLARATION OF ANN M. O'LEARY IN SUPPORT OF DEFENDANTS' OPPOSITION TO MOTION FOR PRELIMINARY INJUNCTION

BAY AREA

Soft Money Gives Brown Deeper Pockets

Groups spent \$200,000 to help S.F. mayor

By John Wildermuth Chronicle Staff Writer

For a veteran politician like Mayor Willie Brown, it's great to have friends with money.

Friends like the Golden Gate Restaurant Association, which is spending about \$82,000 for bill-boards and a television ad backing Brown for re-election. Or the Building Owners and Managers Association, which put up more than \$16,000 to put Brown re-election signs on the back of Muni buses. Or the San Francisco Labor Council, which has donated more than \$4,000 for a "get out the vote" effort for the mayor.

Independent groups backing Brown for another four-year term already have pumped more than \$200,000 into re-election activities, and that figure is only going to rise as the November 2 election draws closer.

That financial windfall has not gone unnoticed by Brown's opponents.

"Developers, downtown businesses and other special interests have combined their resources in support of Mayor Brown," said Tom Pier, a spokesman for mayoral candidate Clint Reilly. "The Brown campaign and the Reilly campaign taken by themselves are about even financially, but when the independent committees are taken into account, our campaign is going to be vastly overpowered."

That is nothing but sour grapes from a candidate who has already spent more than \$2 million of his own money on his campaign, said P.J. Johnston, a spokesman for Brown's campaign.

"Mr. Reilly wouldn't have turned his back on anyone's help," he said. "But now, his only backer is himself, because there's no one out there who wants to support him."

The money from the independent committees enables Brown to get far more help from deeppocketed backers than the city's campaign finance rules normally would allow.

By city law, Brown's campaign can accept only \$500 in campaign contributions from any one individual or business. But if a backer wants to help Brown without going through his campaign, the sky is the limit.

The Building Owners and Managers Association represents the city's commercial property owners, who have benefited greatly from the city's booming economy and Brown's pro-development stance. The group endorsed Brown earlier this year and sent him the maximum \$500 contribution in July.

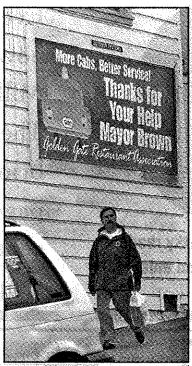
But the group wanted to do more to help get Brown re-elected, said Ken Cleveland, director of government affairs for the association. In August and September, it paid \$16,491 to put signs saying "Keep San Francisco Moving Forward. Re-elect Willie Brown" on the rear of Muni buses.

"We want to demonstrate our commitment to a candidate while getting our message out," Cleveland said. "We've done bus signs in the past for (Supervisors) Barbara Kaufman, Mabel Teng and Mark Leno."

The restaurant association also wanted to do something nice for the mayor, so it bought him some billboards and a television ad that is running on local cable stations. The basic theme is, "Thanks for all your help, Mayor Brown."

By supporting an increase in the number of taxicabs in the city and backing downtown development, Brown earned the support of the restaurant owners, said James Sutton, who runs the group's political action committee.

Every dollar that an independent committee spends is a dollar that Brown's campaign will not have to come up with. If the res-



MICHAEL MALONEY / The Chronicle

The Golden Gate Restaurant
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taurant owners and downtown businesses are buying billboards, Brown won't have to. If the Police Officers Association sends out a mailer supporting the mayor's reelection, that is one less expense for the campaign.

The growing flood of outside money worries backers of campaign finance reform.

"We're estimating that by the time the campaign ends, there will be at least \$1 million in independent contributions for the mayor," said Charles Marseller of San Francisco Common Cause. "Those contributions end up bypassing the limits on campaign contributions."

That does not bother the Brown campaign, which argued that it is complying with all the local campaign finance laws.

"The law says we can't deal at all with the independent expenditures, so we just stay out of it altogether," Johnston said. "But do we think Mayor Brown has earned the support of the Golden Gate Restaurant Association? Absolutely, and they have a right to say that Mayor Brown has been good for restaurants."